

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

**August 22, 2006**

**FROM:** **BILL POSTMUS**, Chairman  
Board of Supervisors, First District Supervisor

**SUBJECT:** **PUBLIC HEARING REGARDING THE FILING OF APPLICATION FOR  
FORMATION OF PHELAN PINON HILLS COMMUNITY SERVICES  
DISTRICT**

**RECOMMENDATION:**

1. Conduct a public hearing seeking authorization to initiate an application to the Local Agency Formation Commission (LAFCO), on behalf of the Phelan Pinon Hills Community Services District Feasibility Committee, that proposes to form the Phelan Pinon Hills Community Services District to provide water, park and recreation, and street lighting services, the detachment from County Service Area 56, and the dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zone L, and County Service Area 70 Improvement Zone L-1.
2. Adopt Resolution No. 06-\_\_\_\_\_ that initiates an application requesting LAFCO to take proceedings for the formation of the Phelan Pinon Hills Community Services District by initiating a proposed reorganization as described in the exhibits in connection with this resolution; a copy of the application is on file with the Clerk of the Board.
3. Authorize the Special Districts Department (County Service Area 70) to pay LAFCO filing fees related to the application in the amount of \$13,040, based on a request for waiver of specific filing fees as outlined in the financial impact section, or in the amount of \$21,790 if LAFCO does not approve the fee waiver request.

**BACKGROUND INFORMATION:** The Special Districts Department (SDD) provides direct administrative oversight to approximately 100 dependent special districts that are governed by the Board of Supervisors. These districts provide a variety of municipal services throughout the County, including water, sanitation, parks and recreation, road maintenance, television translator, and street lighting services.

More specifically in the Phelan/Pinon Hills area, the SDD administers the following agencies which provide the following services: County Service Area 9 (Phelan – street lighting, parks and recreation); County Service Area 56 (Wrightwood – park services); County Service Area 56 Improvement Zone F-1 (Pinon Hills – park services); County Service Area 70 Improvement Zone L (Pinon Hills – water services); and County Service Area 70 Improvement Zone L-1 (water services).

The Phelan Pinon Hills Community Services District Feasibility Committee (Committee), comprised of members from the unincorporated communities of Phelan/Pinon Hills, has

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developed and submitted a proposal to LAFCO to form an independently governed community services district for the provision of water, park and recreation, and street lighting services to the Phelan/Pinon Hills area. The proposal would entail the detachment of area from County Service Area 56, and the dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zone L, and County Service Area 70 Improvement Zone L-1. The impetus of the Committee's proposal is based on a desire by some community members to provide the aforementioned services with local self-governance, versus the administrative oversight provided by the SDD and governance that is currently provided by the Board of Supervisors.

The Committee has proposed to function under and carry out all authorized duties and responsibilities assigned to a Community Services District (CSD) as outlined in Government Code Section 61000 et seq. and other applicable laws. If formed, the CSD would be governed by a Board of Directors that shall consist of five (5) members elected at-large, from registered voters within the boundaries of the CSD. The CSD would be the successor agency to all rights, responsibilities, properties, contracts, assets, liabilities, and functions of the agencies included within the reorganization, through dissolution or detachment. All previously authorized charges, fees, assessments, and/or taxes currently in effect, now levied or collected by any of the affected Districts, including improvement districts thereof, shall continue to be levied and collected by the successor agency. Indebtedness of any of the Districts to be reorganized shall remain the legal obligation of only the lands and areas that incurred such indebtedness; however, the outstanding indebtedness of any District at the time of reorganization shall become the obligation of the newly created Community Services District.

It is recommended that the County adopt a resolution of application that authorizes the initiation and submission of the CSD proposal to LAFCO, on behalf of the Committee, in lieu of the extensive signature gathering effort customarily required to circulate a petition and garner 25% support of registered voters within the proposed district boundaries for the application to be initiated. In order for LAFCO to consider and process the proposal, it must be formally initiated either by submission of a petition signed by registered voters or by a resolution of application adopted by the County, and the payment of the required filing fees. During the LAFCO review process, the public will have an opportunity to voice support for or opposition to the proposal, as well as determining its ultimate success or failure at an election.

In accordance with Government Code Section 61013, a proposal to form a new district may be made by the adoption of a resolution of application by the Board of Supervisors at a public hearing. Except for the provision of signers, the signatures, and the designation of the proponents, a resolution of application shall contain all of the matters specified for a petition as outlined in Government Code Section 61011.

Approval of Recommendation No. 1 would conduct a public hearing regarding the initiation of an application to LAFCO, on behalf of the Phelan Pinon Hills Community Services District Feasibility Committee, that proposes to form the Phelan Pinon Hills Community Services District to provide water, park and recreation, and street lighting services, the detachment from County Service Area 56, and the dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zone L, and County Service Area 70 Improvement Zone L-1.

Approval of Recommendation No. 2 would adopt a resolution required to officially initiate (submit) an application requesting LAFCO to take proceedings for the formation of the Phelan Pinon Hills Community Services District by initiating a proposed reorganization as described in the exhibits in connection with this resolution.

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Approval of Recommendation No. 3 would authorize the Special Districts Department (County Service Area 70) to pay LAFCO filing fees related to the application in the amount of \$13,040, based on a request for waiver of specific filing fees as outlined in the financial impact section below, or in the amount of \$21,790 in the event LAFCO does not approve the fee waiver request. Seeking authority at this time to pay the full amount would obviate the need to return to the Board for additional payment authority in the event LAFCO denies the fee waiver request.

**REVIEW BY OTHERS:** This item was reviewed by County Counsel (Thomas Krahelski, Deputy, 387-5436) on August 15, 2006; and the County Administrative Office (Wayne Thies, Administrative Analyst, 387-5409) on August 14, 2006.

**FINANCIAL IMPACT:** The full cost associated with the LAFCO filing fees for processing the proposed CSD application is \$21,790. A fee waiver request of \$4,250 for a detachment charge and a \$4,500 dissolution charge is also proposed to be presented for LAFCO consideration, since there are two dissolution actions and a detachment required that are all a part of the same application process. If approved by LAFCO, the adjusted cost for the filing fee and required deposit would be \$13,040.

The cost of the filing fees may be borne by the Phelan Pinon Hills Community Services District Feasibility Committee, the Special Districts Department, or a combination thereof. Staff recommends authorizing the Special Districts Department to pay the LAFCO filing fees. On June 27, 2006, as part of the County's Proposed 2006-07 Budget, the Board approved \$100,000 in annual general fund support for Special Districts (Policy Item Request # 78) to assist with County or public projects so that the department's financial resources would not be adversely impacted. Use of up to \$21,790 for the recommended purpose is consistent with the intent for use of the general fund support.

**SUPERVISORIAL DISTRICT:** First

**PRESENTER:** Bill Postmus, Chairman, 387-4830

1 RESOLUTION NO. 06- \_\_\_\_\_

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3 RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY  
4 OF SAN BERNARDINO, STATE OF CALIFORNIA, AUTHORIZING  
5 SUBMITTAL OF AN APPLICATION TO THE LOCAL AGENCY  
6 FORMATION COMMISSION, REQUESTING THE COMMISSION TO  
7 TAKE PROCEEDINGS FOR FORMATION OF THE PHELAN PINON  
8 HILLS COMMUNITY SERVICES DISTRICT

9 On Tuesday, August 22, 2006, on motion of Supervisor \_\_\_\_\_,  
10 duly seconded by Supervisor \_\_\_\_\_, and carried, the following resolution  
11 is adopted:

12 SECTION 1. The Board of Supervisors of the County of San Bernardino  
13 hereby finds and determines:

14 (a.) That this Board desires to initiate proceedings pursuant to  
15 the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000  
16 (Government Code Section 56000 et seq.) (the "Act") and the Community  
17 Services District Law (Government Code Section 61000 et seq.) for a  
18 reorganization to include, but not limited to, the formation of the Phelan Pinon  
19 Hills Community Services District, detachment from County Service Area 56, and  
20 dissolution of County Service Area 9, County Service Area 56, Improvement  
21 Zone F-1, County Service Area 70, Improvement Zone L, and County Service  
22 Area 70, Improvement Zone L-1, as more specifically described in the application  
23 attached hereto as Exhibit A;

24 (b.) That the territory proposed for reorganization is legally  
25 inhabited and a description of the boundaries for all actions is set forth in Exhibit  
26 B attached hereto;

27 (c.) That the proposed reorganization does not conflict with any  
28 existing sphere of influence;

1 (d.) That it is desired that the proposed reorganization be subject  
2 to the following terms and conditions:

3 1. The name of the new district shall be the Phelan  
4 Pinon Hills Community Services District (hereinafter "PPHCSD").

5 2. The Board of Directors of the PPHCSD shall consist  
6 of five members, elected at-large, from within the boundaries of the District.

7 3. The PPHCSD shall function under and carry out all  
8 authorized duties and responsibilities assigned to a Community Services District  
9 as set forth in Government Code Section 61000 et seq. and other applicable  
10 laws.

11 4. The PPHCSD shall be authorized to provide the  
12 services and perform the functions identified as follows:

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DISTRICT	FUNCTION	SERVICE
PPHCSD	Water	Supply water for any beneficial uses, in the same manner as a municipal water district formed pursuant to the Municipal Water District Law of 1911, Division 20 (commencing with Section 71000) of the Water Code.
	Park and Recreation	Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law, (commencing with Section 5780) of the Public Resources Code.
	Street lighting	Acquire, construct, improve, maintain, and operate street lighting and landscaping on public property, public rights-of-way, and public easements.

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1                   5.     The PPHCSD shall be the successor agency to all  
2 rights, responsibilities, properties, contracts, assets and liabilities, and functions  
3 of the agencies included within reorganization, through dissolution or  
4 detachment.

5                   6.     Upon reorganization, the successor agency succeeds  
6 to all properties, rights, contracts, and obligations of the dissolved or reorganized  
7 districts and any funds to which it succeeds may be expended and properly  
8 disposed of as provided by the Community Services District Law.

9                   7.     The appropriations limit of the PPHCSD is anticipated  
10 to be the aggregate appropriations limits of the reorganized districts.

11                  8.     All previously authorized charges, fees, assessments,  
12 and/or taxes currently in effect, now levied or collected by any of the affected  
13 districts, including improvement districts thereof, shall continue to be levied and  
14 collected by the successor agency.

15                  9.     Indebtedness of any of the districts to be reorganized  
16 shall remain the legal obligation of only the lands and areas, which incurred such  
17 indebtedness. However, the outstanding indebtedness of any district at the time  
18 of reorganization shall become the obligation of the newly created PPHCSD.

19                  10.    The standard terms and conditions imposed by the  
20 Local Agency Formation Commission upon all proposals, or such additional  
21 conditions as may be deemed appropriate or necessary by the Local Agency  
22 Formation commission in its consideration, shall be applicable.

23                  (e.)   That the reason for the proposed reorganization is that the  
24 residents of the communities of Phelan and Pinon Hills have expressed the  
25 desire for local control and input into the decision-making process for the delivery  
26 of services, including water, park and recreation, and street lighting.

27                  SECTION 2.   The Board of Supervisors of the County of San Bernardino,  
28 therefore, hereby resolves and orders:

1 That this Resolution of Application is hereby approved and adopted by this  
2 Board and authorized for submission to the Local Agency Formation Commission  
3 of the County of San Bernardino ("LAFCO"), thereby requesting LAFCO to take  
4 proceedings for the proposed reorganization, as described in Exhibits "A", in the  
5 manner provided by the Act.  
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7 PASSED AND ADOPTED by the Board of Supervisors of San Bernardino  
8 County, State of California, by the following vote:

9 AYES: Supervisors:

10 NOES: Supervisors:

11 ABSENT: Supervisors:  
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13 STATE OF CALIFORNIA )  
14 COUNTY OF SAN BERNARDINO ) ss. )

15 I, DENA M. SMITH, Clerk of the Board of Supervisors of San Bernardino County,  
16 California, hereby certify the foregoing to be a full, true and correct copy of the  
17 record of the action as the same appears in the Official Minutes of said Board at  
its meeting of August 22, 2006.

18 DENA M. SMITH  
19 Clerk of the Board of Supervisors  
of San Bernardino County

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21 By \_\_\_\_\_ Deputy  
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**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

**2**

August 1, 2006

**FROM:** **BILL POSTMUS**, Chairman  
Board of Supervisors, First District Supervisor

**SUBJECT:** **SCHEDULE A PUBLIC HEARING REGARDING THE FILING OF  
APPLICATION FOR FORMATION OF PHELAN PINON HILLS  
COMMUNITY SERVICES DISTRICT**

**RECOMMENDATION:**

1. Schedule a public hearing for Tuesday August 22, 2006 at 10:00 a.m. for the purpose of seeking authorization to submit an application to the Local Agency Formation Commission (LAFCO), on behalf of the Phelan Pinon Hills Community Services District Feasibility Committee, that proposes to form the Phelan Pinon Hills Community Services District to provide water, park and recreation, and street lighting services, the detachment from County Service Area 56, and the dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zone L, and County Service Area 70 Improvement Zone L-1.
2. Direct the Clerk of the Board to publish a Notice of Hearing.

**BACKGROUND INFORMATION:** The Special Districts Department (SDD) provides direct administrative oversight to approximately 100 dependent special districts that are governed by the Board of Supervisors. These districts provide a variety of municipal services throughout the County, including water, sanitation, parks and recreation, road maintenance, television translator, and street lighting services.

More specifically in the Phelan/Pinon Hills area, the SDD administers the following agencies which provide the following services: County Service Area 9 (Phelan – street lighting, parks and recreation, and road services); County Service Area 56 (Wrightwood – park services); County Service Area 56 Improvement Zone F-1 (Pinon Hills – park services); County Service Area 70 Improvement Zone L (Pinon Hills – water services); and County Service Area 70 Improvement Zone L-1 (Phelan - water).

The Phelan Pinon Hills Community Services District Feasibility Committee (Committee), comprised of members from the unincorporated communities of Phelan/Pinon Hills, has developed and submitted a proposal to LAFCO for the provision of water, park and recreation, and street lighting services to the Phelan/Pinon Hills area, the detachment from County Service Area 56, and the dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zone L, and County Service Area 70 Improvement Zone L-1. The impetus of the Committee's proposal is based on a desire by some community members to provide the aforementioned services with local self-governance, versus the administrative oversight provided by the SDD and governance that is currently provided by the Board of Supervisors.

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Record of Action of the Board of Supervisors

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**SCHEDULE A PUBLIC HEARING REGARDING THE FILING OF APPLICATION FOR  
FORMATION OF PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT**

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The Committee has proposed to function under and carry out all authorized duties and responsibilities assigned to a Community Services District (CSD) as outlined in Government Code Section 61000 et seq. and other applicable laws. If formed, the CSD would be governed by a Board of Directors that shall consist of five (5) members elected at-large, from registered voters within the boundaries of the CSD. The CSD would be the successor agency to all rights, responsibilities, properties, contracts, assets, liabilities, and functions of the agencies included within the reorganization, through dissolution or detachment. All previously authorized charges, fees, assessments, and/or taxes currently in effect, now levied or collected by any of the affected Districts, including improvement districts thereof, shall continue to be levied and collected by the successor agency. Indebtedness of any of the Districts to be reorganized shall remain the legal obligation of only the lands and areas that incurred such indebtedness; however, the outstanding indebtedness of any District at the time of reorganization shall become the obligation of the newly created Community Services District.

It is recommended that the County adopt a resolution of application that authorizes the initiation and submission of the CSD proposal to LAFCO, on behalf of the Committee, in lieu of the extensive signature gathering effort customarily required to circulate a petition and garner 25% support of registered voters within the proposed district boundaries for the application to be initiated. In order for LAFCO to consider and process the proposal, it must be formally initiated either by submission of a petition signed by registered voters or by a resolution of application adopted by the County, and the payment of the required filing fees. During the LAFCO review process, the public will have an opportunity to voice support or opposition of the proposal, as well as determining its ultimate success or failure at an election.

In accordance with Government Code Section 61013, a proposal to form a new district may be made by the adoption of a resolution of application by the Board of Supervisors at a public hearing. Except for the provision of signers, the signatures, and the designation of the proponents, a resolution of application shall contain all of the matters specified for a petition as outlined in Government Code Section 61011.

The Notice of Hearing must be published pursuant to Government Code Section 6061 in one or more newspapers of general circulation within the County, at least 20 days prior to the hearing date, as specified in Government Code Section 61013. This section also specifies that a mailed notice of its hearing be provided to the Executive Officer of LAFCO.

Approval of these two recommendations would schedule and direct the Clerk of the Board to publish a notice for a public hearing to be held on Tuesday August 22, 2006 at 10:00 a.m. for the purpose of seeking authorization to submit an application to LAFCO, on behalf of the Phelan Pinon Hills Community Services District Feasibility Committee, that proposes to form the Phelan Pinon Hills Community Services District to provide water, park and recreation, and street lighting services, the detachment from County Service Area 56, and the dissolution of County Service Area 9, County Service Area 56 Improvement Zone F-1, County Service Area 70 Improvement Zone L, and County Service Area 70 Improvement Zone L-1.

**REVIEW BY OTHERS:** This item was reviewed by County Counsel (Thomas Krahelski, Deputy, 387-5436) on July 25, 2006; and the County Administrative Office (Wayne Thies, Administrative Analyst, 387-5409) on July 25, 2006.

**2**

**SCHEDULE A PUBLIC HEARING REGARDING THE FILING OF APPLICATION FOR  
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**August 1, 2006**

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**FINANCIAL IMPACT:** The full cost associated with the LAFCO filing fees for processing the proposed CSD application is approximately \$21,800. A fee waiver request of \$4,250 for detachment charges and \$4,500 for dissolution charges is also proposed to be presented for LAFCO consideration, since there are two dissolution actions and a detachment required that are all a part of the same application process. If approved, the adjusted cost for the filing fees would be approximately \$13,050. The cost of the filing fees may be borne by the Phelan Pinon Hills Community Services District Feasibility Committee, the Special Districts Department, or a combination thereof. The cost sharing (if any) is anticipated to be determined/approved in conjunction with the public hearing to be scheduled for August 22, 2006.

**SUPERVISORIAL DISTRICT:** First

**PRESENTER:** Bill Postmus, Chairman, 387-4830

**2**

NOTICE OF PUBLIC HEARING ON THE FILING  
OF AN APPLICATION FOR FORMATION OF THE  
PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

NOTICE IS HEREBY GIVEN that on Tuesday, August 22, 2006, at 10:00 a.m. in the Chambers of the Board of Supervisors, County Government Center, 385 North Arrowhead Avenue, First Floor, San Bernardino, California, a public hearing will be held before the Board of Supervisors, to consider authorizing the submittal of an application to the Local Agency Formation Commission (LAFCO) that proposes to form the Phelan Pinon Hills Community Services District to provide water, park and recreation, and streetlighting services, and includes detachment from County Service Area 56 (Wrightwood), and the dissolution of County Service Area 9 (Phelan), County Service Area 56, Improvement Zone F-1 (Pinon Hills), County Service Area 70, Improvement Zone L (Pinon Hills), and County Service Area 70, Improvement Zone L-1 (Phelan).

At the time and place above stated, the Board of Supervisors will hear and consider all comments, objections or protests regarding the submittal of the application to LAFCO and may continue the hearing from time to time.

Any interested person desiring to make oral protest against the submittal of said application may do so by appearing at the hearing and requesting to be heard. Any person desiring to make written protest may do so by written communication filed with the Clerk of the Board of Supervisors, County Government Center, 385 North Arrowhead Avenue, Second Floor, San Bernardino, California, 92415-0130, not later than the hour set for hearing or by submission of said communication to the Board of Supervisors during the course of said hearing.

Dated: \_\_\_\_\_

DENA M. SMITH  
Clerk of the Board of Supervisors

By \_\_\_\_\_